

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 97-501-E - ORDER NO. 98-594

AUGUST 5, 1998

IN RE:	Request of South Carolina Electric & Gas	)	ORDER
	Company for Approval of a Rider to its	)	APPROVING
	Residential Subdivision Street Lighting Rate	)	RIDER
	Schedule Applicable to Residential	)	
	Customers in the former Town of James	)	
	Island in Charleston County, South Carolina.	)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of South Carolina Electric & Gas Company's (SCE&G's) request for approval of a Rider to its Residential Subdivision Street Lighting Rate Schedule applicable to residential customers in the former Town of James Island in Charleston County, South Carolina. SCE&G seeks approval to assess a monthly charge of \$2.58 per residential customer in areas served by underground electric distribution and \$.96 per residential customer in areas served by overhead electric distribution in the areas which constituted the formerly incorporated municipality of the Town of James Island. The matter has been noticed to all affected customers, pursuant to the instructions of the Commission's Executive Director, but no Petitions to Intervene have been received. Several protests were received.

An attempt was made to incorporate the Town of James Island in late 1992. Subsequent to that date, upon the assumption that the Town existed legally, SCE&G

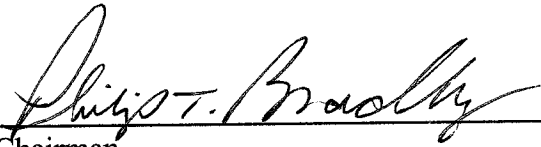
entered into a franchise agreement with the Town dated December 20, 1993, in order to provide street lighting and other public lighting for the security and benefit of the Town's citizens. The total monthly amount for the lights billed to the Town under the Company's currently approved rates was \$8,833.88. On February 4, 1997, Circuit Court Judge John C. Hayes III, ordered the Town's court-appointed receiver to discontinue paying the monthly lighting bill as of March 1, 1997, and further ordered that SCE&G could then directly bill its customers in the Town's former limits for the lighting service.

SCE&G now proposes to bill monthly each residential electric account the charge specified in the proposed rider to recover the lighting charge. If approved by this Commission, SCE&G will annually adjust the monthly charge to recognize any rate changes or cumulative over or under recovery of lighting costs. SCE&G will not begin billing the customers, however, until the balance of the franchise fee received from customers which exceeded the franchise fee prepaid to the purported Town is exhausted. SCE&G is currently using this excess to pay the monthly bill.

SCE&G states in its filings that it believes that the modifications to the Rate Schedules as described represents a fair resolution to this situation, will continue the lighting benefit to the customers, and will not result in a rate increase to SCE&G. We agree with SCE&G, and hereby approve the rider to Residential Subdivision Street Lighting Rate Schedule as filed, accordingly.

This Order shall remain in full force and effect until further Order of the  
Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Acting Executive Director

(SEAL)